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NPI Implementation Changes

DMA will not implement utilization of the National Provider Identifier (NPI) on the originally scheduled implementation date of May 18, 2007.

Claims will continue to be adjudicated after the May 23rd date using the Medicaid Provider Number (MPN) instead.

The Center for Medicare and Medicaid Services (CMS) is concerned about the health care industry's state of readiness with regard to successful implementation of the NPI. CMS will focus on voluntary compliance and is allowing entities covered under the Health Insurance Portability and Accountability Act (HIPAA) of 1996 to employ a contingency plan after May 23, 2007. The Division of Medicaid Assistance (DMA)'s contingency plan is based on continued use of the MPN. As a result, the date on which DMA will implement the NPI rule is yet to be determined.

It is important to realize that with the delay in NPI implementation, claims submitted after May 18, 2007 without a Medicaid Provider Number will deny.

Providers should be aware that voluntary compliance does not change the HIPAA requirement that health care providers obtain an NPI by May 23, 2007. DMA will continue to collect NPI information from providers.

DMA will be communicating all NPI updates first via email from our NPI Mailing List. If you have not subscribed to our email list, please do so immediately by visiting our website at <http://www.dhhs.state.nc.us/dma/NPI.htm> and clicking on the NPI Mailing List in red at the top of the page.

Once subscription to our mailing list is complete, NPI information and updates will be available. NPI information will also be communicated to the provider community via bulletins, RA banner messages, email blasts and the DMA webpage.

New Pharmacy Prior Authorization Program for Proton Pump Inhibitors

The North Carolina Medicaid Outpatient Pharmacy Program will implement a new prior authorization (PA) program for brand name proton pump inhibitors on June 1, 2007. On this date, pharmacists will begin receiving a point-of-sale message that PA is required for brand name prescription medications in this drug class. An additional message will be received to indicate that override at point-of-sale is allowed for these medications. If the prescriber has indicated that the PA criteria has been met by writing one of the following phrases on the face of the prescription in his/her own handwriting, the pharmacist will be able to override the PA edit:

1. "Failed omeprazole 40mg for 30 days"
2. "Esophagitis Grade C" – for esomeprazole magnesium (Nexium) 40mg prescriptions only
3. "Esophagitis Grade D" – for esomeprazole magnesium (Nexium) 40mg prescriptions only
4. "Cannot swallow tablets"

5. “Cannot swallow capsules”

If the brand name proton pump inhibitor medication has a generic version available, “medically necessary” must also be written on the face of the prescription in the prescriber’s own handwriting in order to dispense the brand name drug. A “1” in the prior authorization field (461-EU) or a “2” in the submission clarification field (420-DK) will override the PA edit. These overrides will be monitored by Program Integrity.

Prior authorization will not be required for recipients who are pregnant, breastfeeding or who are less than six years old. For recipients with a pink Medicaid identification card (MPW coverage), the eligibility file will automatically exempt prescription claims for these medications from the PA requirement. For recipients with a blue Medicaid identification card, the pharmacist may indicate pregnancy and/or breastfeeding on the claim in one of the following ways:

- Indicate “2” in the pregnancy indicator field (335-2C)
- Indicate the diagnosis of “V22” or “V23” in the diagnosis field (424-DO)

Providers may also contact ACS at 866-246-8505 (telephone) or 866-246-8507 (fax) to request prior authorization for these medications. The PA criteria and request form for proton pump inhibitors will be available on the North Carolina Medicaid Enhanced Pharmacy Program web site at <http://www.ncmedicaidpbm.com> on May 18, 2007. If the PA is approved by ACS, then the POS override codes will not be needed.

There are some forms being developed by the Community Care of North Carolina network to assist the physicians in this process that can also serve as a prescription. These forms are not required for this program. If you do receive these forms, please make sure that necessary information required in the physicians own handwriting is present on the form prior to dispensing a brand name proton pump inhibitor medication.

Joint Statement from the N.C. Board of Pharmacy and the N.C. Division of Medical Assistance

The North Carolina General Assembly mandates pharmacists participating in the North Carolina Medicaid program to substitute generic drugs for brand name drugs unless the prescriber indicates “medically necessary” on the face of prescriptions for brand name drugs. In support of this mandate, the North Carolina Board of Pharmacy and the North Carolina Division of Medical Assistance would like to notify pharmacists that prescriptions for brand name Prilosec 40mg may be substituted with the equivalent dose of generic omeprazole 20mg.

Pharmacists should consult with their Medicaid patients that they are receiving an appropriate generically equivalent medication and should also take care to consult these patients on the appropriate use of the medication.

Retroactive Opt-In to Pharmacies

DMA requires that recipients receiving more than eleven (11) prescriptions per month receive a comprehensive evaluation of their drug therapy regimen. Recipients cannot retroactively opt-in to a pharmacy for coverage of prescriptions over 11 per month. A drug therapy regimen review is a requirement for coverage and cannot be performed retroactively.

Recipients Residing in Assisted Living Facilities and Group Homes Exempt From the Prescription Limit

Effective June 1, 2007, recipients residing in assisted living facilities and group homes will be exempt from the prescription limit. The list of recipients who are now exempt from the limit include:

- Recipients who are less than 21 years of age.
- Recipients residing in nursing facilities, intermediate care facilities/mental retardation centers
- Recipients residing in an assisted living facilities and group homes.

Billing for MiraLax

MiraLax is now available as an over-the-counter (OTC) medication. MiraLax is not included on the list of drugs covered under the N.C. Medicaid OTC program. Pharmacists should not bill claims for OTC Miralax under prescription-only NDCs for this medication. This practice is considered fraudulent and can lead to increase disputes in the Medicaid drug rebate program

Lamar Raynor, Pharmacy Investigator Retires

It is not many people who can say they have worked with North Carolina (NC) Medicaid for 29 years. But, Lamar Raynor is one who can. He has seen and worked with many changes as NC Medicaid has grown during those 29 years. Lamar's experience and wisdom as a Pharmacy Investigator for the Program Integrity section of the Division of Medical Assistance will be irreplaceable in his field, and he will be greatly missed. His contacts in the field have grown to know him and to learn from him. We thank Lamar for his dedication and for his devotion in supporting North Carolina's Medicaid system and we wish him the very best in his retirement.

Changes in Drug Rebate Manufacturers

The following changes are being made in manufacturers with Drug Rebate Agreements. They are listed by manufacturer code, which are the first five digits of the NDC.

Additions

The following labelers have entered into Drug Rebate Agreements and have joined the rebate program effective on the dates indicated below:

<i>Code</i>	<i>Manufacturer</i>	<i>Date</i>
24430	ImaRx Therapeutics, Inc.,	04/26/2007
27437	Lupin Pharmaceuticals, Inc.,	04/01/2007
29033	Nostrum Laboratories	04/24/2007

Checkwrite Schedule

May 08, 2007	June 05, 2007	July 03, 2007
May 15, 2007	June 12, 2007	July 10, 2007
May 22, 2007	June 21, 2007	July 17, 2007
May 31, 2007		July 26, 2007

Electronic Cut-Off Schedule

May 03, 2007	June 07, 2007	July 05, 2007
May 10, 2007	June 14, 2007	July 12, 2007
May 17, 2007	June 28, 2007	July 19, 2007
May 24, 2007		

Electronic claims must be transmitted and completed by 5:00 p.m. on the cut-off date to be included in the next checkwrite. Any claims transmitted after 5:00 p.m. will be processed on the second checkwrite following the transmission date. POS claims must be transmitted and completed by 12:00 midnight on the day prior to the electronic cut-off date to be included in the next checkwrite.



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